THE MANAGEMENT OF HORIZONTAL ISSUES:

AN ANNOTATED BIBLIOGRAPHY

by

Samuel Steinberg
Elizabeth Moore
Nathalie Burlone

Introduction

The literature review was initiated after the first Roundtable on the Management of Horizontal Issues. Building on those discussions, these articles and books were found by searching Internet for the following key words:

> Horizontality; horizontal management; collaboration (and management; and government; and public sector); coordination (and management; and government; and public sector); interorganizational (and collaboration; and coordination); intergovernmental (and collaboration; and coordination); interministry and interministerial; trust (and collaboration); leadership (and collaboration); accountability.

This document does not claim to provide an exhaustive review of the literature, but we hope that it will provide a useful starting point for those wanting to identify writings on the topic of horizontal management.

The articles and books are listed under appropriate subject headings, in alphabetical order by author. The number of asterisks (* to ***) indicates the importance of the articles and books. The most important ones are also circled.

Key Points for Discussion

Among the topics discussed in the articles and books reviewed are several key themes (annotations are listed in parentheses)**:**

Actors
* Influence of *personal characteristics* of members involved in the horizontal initiative (flexibility, motivation, attitudes, expectations, skills, learning) and *commitment to success* (a win-win situation) of the initiative (3-5-6-9-13-15-17-23-25-26-31-36-37-39-42-49);
* Development of *trust* among members of the inter-organizational group (7-15-25-27-28-37-39-40-41-42);
* Demonstrated *leadership* (either as the leader of the horizontal initiative or as support from the top) to guide the inter-organizational initiative (1-3-17-18-32-42).

Structures and operations
* Importance of setting *clear goals and objectives* shared by all members of the group as well as expected results for the initiative (2-6-27-33-42-49);
* Importance of allocating *designated funding* for the initiative (1-6-9-17-42);
* Importance of establishing *binding rules and norms* for the conduct of the horizontal initiative (9-18-34-42);
* Importance of *motivating and implicating lower-level staff* (1-6-9).

HORIZONTAL MANAGEMENT (GENERAL)

1. **Bardach, E. 1998.** *Getting Agencies to Work Together: The Practice and Theory of Managerial Craftsmanship.* **Washington, D.C.: Brookings Institution Press. ***

   Effective collaboration requires several factors, including adequate financial and personnel resources, an effective operating system, consensus on key goals, and a positive attitude. Challenges to collaboration include hesitancy from participants concerned about the impact of collaboration on their identity and accountability, the fragmentation that results from specialization, and differences among partners such as differing priorities, ideologies, and client demands. Collaboration does not necessarily require formal reorganization; it may just require altering working relationships. When designing collaboration, key strategies include the motivation of staff through job enrichment, increasing mutual trust and understanding across organizational roles and boundaries, and using accountability as a form of organizational learning. The author also advises maintaining a low profile and building credibility by ensuring several smaller successes.

2. **Bourgault, J. 1997. "L'intégration horizontale au sommet."** *Optimum* **27 (4) : 12–24. ***

   The author observes that cohesion between deputy ministers (DMs) is a necessary condition to horizontal integration [HI]. Five elements of "group management" are cited as important HI catalysts: a declaration by the government that DMs and assistant deputy ministers (ADMs) are government corporate resources and not simply employees of their respective departments; promotion to the DM and/or ADM level from the ranks of experienced public servants; promoting horizontal mobility in the public service; and the existing selection structure (COSO, peer performance review at the ADM level). Common vision and integrated operations can also result in greater HI. The author describes the three types of committees in which federal DMs participate, which also serve the ends of HI (departmental, DM and external). The author concludes by citing the advantages of, and the inherent difficulties in, implementing greater HI throughout the federal government.

3. **Kickert, W. J. M., E-H Klijn and J. F. M. Koppenjan, eds. 1997.** *Managing Complex Networks: Strategies for the Public Sector.* **London: Sage Publications. ***

   Networks, managed effectively, are a means of improving policy making and restoring confidence in government. They are a sound alternative to either top-down decision making or withdrawal of government. Network management is defined as the coordination of strategies of actors with different goals regarding a problem or policy measure within an existing framework of inter-organizational relations. The key to network management is creating a consensus for coordinated action. The authors suggest evaluating network interaction through a combination of "ex post

satisfying" (whether participants feel that the results are satisfactory), creating "win-win situations", and process criteria (placing importance on the way results are produced). Governments often have a special position within networks and may be limited in their role because of their access to specific resources and their unique responsibilities, such as protecting the public interest. Three perspectives can be applied to network management: instrumental (focusing on the steering role of the lead actor which is often government), interactive (focuses on collective action such as the creation of winning coalitions), and institutional (focuses on rules and frameworks that shape action).

4. Kruse, J., D. Klein, S. Braund, L. Moorehead and B. Simeone. 1998. "Co-management of Natural Resources: A Comparison of Two Caribou Management Systems." *Human Organization* **57 (4): 447–58. ***

This study examines ways in which resource users have been included in resource management. It compares two co-management efforts for wildlife, both of which have increased user involvement since 1980. The Canadian case is based on a joint advisory management board that carries significant influence in decision making. It has a history of frequent communication with users at the local level. The American case has a hierarchical user advisory board system. Government managers were found to be more responsive to user concerns in the Canadian case. In both cases, communication has improved from users to government officials, but not in the other direction. The authors expected that the Canadian case would provide more evidence of cooperation between users and the government, but instead it appeared that cooperation was less likely than in the American case. This result may be explained in part by unresolved treaty right disputes in Canada that may make Canadian indigenous peoples more hesitant to reach a consensus with government managers. In the Canadian case, the level of trust and understanding has increased, but the depth of authority of user representatives within their own communities has not been tested and compliance among users may not be assured. The study also suggests that user representatives are not an adequate replacement for the presence of management in local communities.

(5.) **Lemieux, V. 1998.** *Les coalitions: liens, transactions et contrôles* (Coalitions : links, transactions and controls)*.* **Paris : Presses Universitaires de France. *****

Individuals and groups can form coalitions in order to obtain greater advantages than those they would have obtained on their own. Between the individuals and the groups that do form a coalition, relations generally consist of cooperation and conflict at the same time, so that maintaining the coalition can be difficult. It is in the nature of coalitions, however, to be temporary and to come apart after a while. This study looks at types of coalitions in different contexts : public arena, organizations, local authorities, governments and international relations. It attempts to show that the formation and maintenance of coalitions is dependent on each party's own internal and external links, on the distribution of costs and benefits among the participants, and especially on the exercise of control at the centre of the coalition and on the adversaries.

6. **Ostroff, F. 1999.** *The Horizontal Organization: What the Organization of the Future Looks Like and How it Delivers Value to Customers.* **New York: Oxford University Press. ****

Vertical hierarchies have been the mainstay of business organization since the industrial revolution. Nonetheless, this structure has its problems. The vertical design all but guarantees fragmented tasks, overspecialization, fiefdoms, turf wars, the urge to control from the top — all the negatives that foster organizational paralysis. The author describes an alternative: horizontal organization. He discusses what this structure looks like, why it is important, how it helps improve performance, where it is appropriate, and how to develop it.

7. **O'Toole, L. J. 1997. "Treating Networks Seriously: Practical and Research-Based Agendas in Public Administration."** *Public Administration Review* **57 (1): 45–52. ****

(8.) **Peters, G. 1998.** *Managing Horizontal Government: The Politics of Coordination.* **Ottawa: Canadian Centre for Management Development. *****

The author observes that interaction between departments, jurisdictions and foreign nations is increasingly necessary in today's world. In keeping with the current trend towards greater globalization, there must be an integrated approach at the top of the Canadian public service apparatus — at the deputy minister level. The article outlines the objectives of this horizontal integration and how to achieve them (these mechanisms are integrated in the model shown in Appendix 1). The difficulties in implementation are considered, as well as the advantages. The article discusses the deputy minister committees as a device for horizontal integration, as well as the effects of the new public management.

9. **Radin, B. A. 1996. "Managing Across Boundaries." Pp. 145–67 in** *The State of Public Management,* **ed. D. F. Kettl and H. B. Milward. Baltimore: Johns Hopkins University Press. *****

This study examines the development of the interagency United States National Rural Development Council (NRDC), which operates with a consensus decision-making process — no agency leads it. It has a small steering committee selected through self-nomination and random draw. Its original intent was to facilitate policy change that increased the role of the private sector in decision making and to extend the rural policy agenda beyond agriculture. Openness was achieved through a number of factors, including having membership open to anyone, drawing leadership from diverse sources, support staff committed to consultation and cooperation, a design that allowed for a combination of a bottom-up and top-down strategy, and creation of task forces that allowed individuals to exert leadership. Over time, the variety of representation on the NRDC has expanded. The relatively low visibility and depoliticized environment contributed to success.

Lessons and advice from this case include incorporating boundary-spanning responsibilities in job duties, selecting the right kind of person (flexible, extroverted, tolerant of ambiguity, verbal), and recognizing that the satisfaction of participants from success can reduce conflict between involvement in an inter-organizational effort and responsibilities at the home agency. Inter-organizational efforts can be designed so that turf battles are minimized.

COLLABORATION

10. **Bardach, E. 1996. "Turf Barriers to Interagency Collaboration." Pp. 168–92 in** *The State of Public Management,* **ed. D. F. Kettl and H. B. Milward. Baltimore: Johns Hopkins University Press. ****

Bardach analyzes why turf wars occur and how they might be overcome or avoided altogether. He identifies the following as widely perceived threats to organizational sovereignty in projects involving inter-agency collaboration: challenges to professional expertise; conflicts concerning facilities (physical facilities, letterheads, data bases, accounting systems, etc.); dilutions of policy direction; undermining an agency's traditional priorities; anxiety over accountability; the necessity of consensus building; and organizational and individual self-worth. Bardach concludes by stating that the failure of individuals to communicate and develop trust results in organizational reluctance to contribute needed resources to overcoming such barriers. He also suggests that leaders must create environments where individuals are motivated to improve inter-organizational collaborative capacity.

11. **Bourget, L., and K. Ryan. 1999. "Twelve Conditions for Collaboration."** *Journal for Quality and Participation* **22 (3): 12. ***

The author identifies twelve conditions for collaboration: clear compelling purposes, mission or goals; agreements that collaboration is the best way to proceed; commitments on the part of participants to a win-win approach; leadership support from upper management; involvement of and active partnering by all; well-defined systematic, open and honest communication processes; clear expectations for roles and responsibilities; commitment to create a positive working atmosphere; commitment to ongoing learning; appreciation of diversity as a catalyst for creativity; clear action planning, and mutual strengthening of individuals and groups.

12. **Hardy, C., and N. Phillips. 1998. "Strategies of Engagement: Lessons From the Critical Examination of Collaboration and Conflict in an Inter-organizational Domain."** *Organization Science* **9 (2): 217–30. ****

The authors argue that inter-organizational collaboration [IC] deserves a more critical examination. Traditional approaches have tended to concentrate only on the functional characteristics of IC. The authors opine that this type of critique is inadequate, particularly when stakeholders' interests conflict, and the balance between them is unequal. Based on attempts to reform the U.K.'s refugee system, the article proposes that collaboration is only one of many possible engagement strategies that are available to organizations that are trying to manage their inter-dependent environments. In addition to collaboration, the authors also discuss compliance, contention, and contestation as additional engagement strategies that can be used to advance organizational objectives. Researchers in public organizations should recognize the benefits of identifying those who possess stakeholder authority, those who control key resources, and those who are able to propagate perceptions of

legitimacy. By addressing these issues, public managers are in a better position to assess the costs and benefits of each strategy, and to differentiate more clearly between strategies that are truly collaborative and those that are not. The authors contend that collaboration and contention appear to represent the greatest potential for synergy and innovation, while contestation produces limited change. Notionally, compliance can contribute towards heightened engagement. However, it is the most limited of the four strategies since it often entails one organization directing the actions of another.

13. **Holmquist, M. 1999. "Learning in Imaginary Organizations: Creating Interorganizational Knowledge."** *Journal of Organizational Change Management* **12 (5): 419–38.** *

The author observes that, more and more, organizations are dependent on partnerships to develop and perform. These relationships have the potential of becoming learning arenas, broadening the learning capacities of all the partners involved. To date, the literature on organizational learning has been concerned with how traditionally integrated organizations learn. As such, the author highlights how a collection of actors can learn and create value. He describes how "imaginary organizations" can provide a forum where partners can generate knowledge on a shared basis. These partnerships create meta-systems that pool partner organizations together in order to share resources, acquire new competencies, and gain flexibility. The author refers to a case study involving learning processes within the imaginary organization of Scandinavian PC Systems to illustrate the benefits of the model.

14. **Mintzberg, H., J. Jorgensen, D. Dougherty and F. Westley. 1996. "Some surprising things about collaboration — knowing how people connect makes it work better."** *Organizational Dynamics* **25 (1): 60–71.** *

The authors examine nine factors that impact on collaborative efforts: the people who write about collaboration may not be the greatest collaborators; real collaboration may well be psychic, or at least appear to be; the best collaboration may be the least recognized as such; the real barriers to horizontal collaboration may be old vertical structures; collaboration also means consorting with the enemy; sometimes it is easier to collaborate with enemies than friends; collaboration itself can be the enemy; collaborating with the government can be fun; and, collaboration can be a pain.

15. **Schwartz, A. E. 1997. "Creative collaborations." *Executive Excellence* 14 (8): 15. ****

   The author suggests that successful negotiating involves both getting along with colleagues or adversaries and getting what you want. Those who can achieve these seemingly contradictory objectives have mastered the art of negotiating. The author proposes five approaches to negotiating: forcing — a win-lose outcome; compromising — a no-win outcome; avoiding — a lose-lose outcome; accommodating — a lose-win outcome; and collaborating — a win-win outcome. Respecting successful approaches to collaboration, Schwartz goes on to highlight six guidelines: accept the win-win philosophy of negotiating; be prepared (ownership of all relevant facts is essential); build trust, remembering that one's reputation is not easily restored if it has been compromised; be creative and imaginative at the bargaining table; concentrate on identifying compatible interests rather than competing positions; and recognize that trusting relationships are ongoing and take time to nurture.

16. **(Special Issue 1999). *Collaborative Government: Concepts, Cases and Outcomes. Public policy and Administration* 14 (2). ****

17. **Vincent, I. 1999. "Collaboration and Integrated Services in the NSW Public Sector." *Australian Journal of Public Administration* 58 (3): 50–54. ***

   The author examines the results of a "whole of government" review of the New South Wales (NSW) public service, conducted by the NSW Premier's Department. In its simplest form, the whole-of-government review aims to assess the calibre of collaboration between government agencies to achieve better outcomes for clients. The NSW study took the form of 19 individual representative case studies that illustrate the diversity of the organizations examined. The author argues that many of the difficulties organizations encounter stem from the reality that horizontal government represents an aberration from the dominant hierarchical public service model. They identify the following factors as contributing to successful whole-of-government initiatives: commitment and enthusiasm of the people who work in horizontal endeavors; internal catalysts for change; and designated funding. Departmental leadership, stability, continuity, training, enculturation and reward are also deemed necessary to support and strengthen these types of initiatives.

(18.) **Weber, E. P., and A. M. Khademian. 1997. "From agitation to collaboration: Clearing the air through negotiation." *Public Administration Review* 57 (5): 396–410. *****

This article examines a case study of regulatory negotiations led by the U.S. Environmental Protection Agency (EPA). Regulatory negotiations are a collaborative alternative to the traditional method of publishing proposed regulations for comment in an effort to create consensus-based rules. They are governed by the Administrative

Procedure Act and cannot be undertaken unless the issue meets a set of criteria, and they bring all key players together to negotiate face-to-face. The article details negotiations about the controversial issue of the development and use of reformulated gasoline with the goal of reducing urban smog.

The authors identify three necessary conditions for successful collaboration: an entrepreneurial leader, organizational credibility, and binding rules. An entrepreneurial leadership is able to persuade, willing to collaborate in policy design, and sensitive to the goals of the participants. Further, the EPA had a reputation of commitment to collaboration and a successful track record. Finally, environmental group and state government representatives made their participation contingent on a binding, written agreement intended to protect the regulatory negotiations from intervention from the executive office and to commit participants to behaviour that would not undermine the negotiations such as not litigating against the final consensus.

It is argued that this set of regulatory negotiations produced regulation that made compliance more likely, accelerated the rule-making process, and improved understanding among all parties about the issue. However, the introduction of reformulated gasoline did result in pockets of strong consumer resistance. This result suggests that it may be necessary to make collaborative efforts more inclusive by improving public consultations at the local level. Further, it is important to ensure that all stakeholders have the resources to participate in what can be a very resource-intensive process.

COORDINATION

(19.) Alexander, E. 1995. *How Organizations Act Together: Inter-organizational Coordination in Theory and Practice.* **Amsterdam: Gordon and Breach Publishers. *****

The author reviews the body of knowledge around inter-organizational coordination [IOC]. First, the book presents the research in this area to date, which has resulted in numerous theories and concepts relating to IOC. Second, it applies the "IOC structures" concept to illustrate how IOC functions in practice. The book concludes by offering some new directions for institutional design, based on the "fit" between IOC structures and their operational environments. The author's views are synthesized in a conceptual framework for inter-organizational collaboration at Appendix 3, below.

20. Davis, G. 1998. "Carving Out Policy Space for State Government in a Federation: The Role of Coordination." *Publius* **28 (4): 147–64. ****

The author argues that, to have a real impact on federal negotiations, Australia's state governments need to develop internal coordination skills. Experience has shown that the more entrenched the federal agenda is, the greater the demands are on state governments to develop policy advice for those representing the state at the bargaining table. The author argues that recent reforms to Australian federalism that reduce jurisdictional overlap also produced the added benefit of upgrading state coordination capacity. A case study examining Queensland's participation in the Council of Australian Governments (COAG) illustrates how states can ensure themselves a voice in federal-state negotiations by rethinking their internal governance arrangements.

21. Hart, J. 1998. "Central Agencies and Departments : Empowerment and Coordination." Pp. 285–309 in *Taking Stock: Assessing Public Sector Reforms***, ed. B. G. Peters and D. J. Savoie. Montreal: McGill-Queen's University Press. ***

The author discusses the evolution of the New Public Management (NPM) paradigm within the public sector and its effects on coordination by central agencies. Although he concludes that the generic role of central agencies has not been diminished under NPM reforms, he admits that decentralization and empowerment initiatives inherent in the NPM paradigm make coordination and control more difficult, resulting in a diminished uniformity that might threaten coherence in government administration and policy making.

22. **Peters, B. G., and D. J. Savoie. 1996. "Managing Incoherence: The Coordination and Empowerment Conundrum."** *Public Administration Review* **56 (3): 281–90. *****

 The authors observe that competing "centripetal" (centralizing) and "centrifugal" (decentralizing) forces are currently influencing policy decisions within the governments of most industrialized democracies. The purpose of this article is to identify the numerous manifestations of these forces within the U.S. government and to elicit relevant lessons from the American experience. The authors argue that the U.S. presents an extreme case of the need to coordinate multiple and often incoherent programs. They cite the following example, which illustrates interdepartmental policy incoherence: programs implemented by the Environmental Protection Agency to reduce the production of ozone depleting substances have impacted negatively on the Department of Energy's efforts at promoting the use of more fuel efficient automobiles. According to the authors, problems such as the above have been exacerbated by reforms stemming from the National Performance Review (NPR). The study goes on to examine the impact of the NPR on the behaviour of central agencies in Washington — the Office of Management and Budget, the Office of Personnel Management, and the General Services Administration. The authors argue that despite the changes over the past year, the fundamental nature of central agencies has not been altered, and they remain committed to imposing central policy and management controls.

23. **Rusaw, A. C. 1997. "Reinventing Local Government: A Case Study of Organizational Change Through Community Learning."** *Public Administration Quarterly* **20 (4): 419–32. ****

The author argues that Osborne and Gaebler's (1992) model of government institutions that steer rather than row result in impaired accountability, coordination, equity, and fairness in services. She proposes an alternative model in which government employees and citizens learn to share responsibility by challenging their preconceptions of role definitions. Illustrating her model in action, the author describes how a Connecticut municipality accomplished the above by applying Total Quality Management to achieve small wins and to create an environment where shared responsibility for governance is a recognized civic principle. She also discusses seven organizational structures that emerged from the municipality's experience with the model: collaborative problem solving teams; networks of power and influence; centralized human resources; forward-feeding mechanisms; citizen dialogue; creation of small-wins laboratories; and strategic planning.

INTERORGANIZATIONAL AND INTERMINISTRY

24. **Ashkenas, R. N., D. Utrich, T. Jick and S. Kerr. 1995.** *The Boundaryless Organization: Breaking the Chains of Organizational Structure.* **San Francisco: Jossey-Bass. ***

The authors discuss the specific strategies premier companies are using to position themselves for success in the new knowledge economy. In this work, a team of management experts discuss how leading corporations are altering their former structures to adapt to new market environments. The old paradigm of organizational success — size, role clarity, specialization and control — has been replaced by a new paradigm where speed, flexibility, integration and innovation are of greater value. Managers at blue chip corporations have begun re-examining six fundamental management questions, discussed throughout the book: how many levels of management are necessary between CEO and front-line workers?; what signing authorities do different management levels require?; what is the proper extent of authority?; what is the optimal balance between centralization and decentralization?; how should jobs be classified and workers remunerated?; and, how should field locations and international operations be organized?

25. **Bergquist, W. H., J. Betwee and D. Meuel. 1995.** *Building Strategic Relationships: How to Extend Your Organization's Reach Through Partnerships, Alliances and Joint Ventures.* **San Francisco: Jossey-Bass. ****

26. **Chisholm, R. F. 1998.** *Developing Network Organizations: Learning from Practice and Theory.* **New York: Addison-Wesley Longman. ****

Chisholm discusses the process of developing inter-organizational networks [IN]. His analysis is based on the experiences of three networks. To illustrate what an inter-organizational network is, the author begins by describing The New Baldwin Corridor Coalition. The first chapter concludes by identifying a number of factors that are making INs an increasingly popular form of organization. The second part examines issues relating to the development of an industrial community for the twenty-first century. These chapters cover the evolution of sponsoring, designing, and conducting a community strategic planning conference. The third part discusses the development of a rural business incubator network. Chapters here examine the author's participation in developing an IN among fourteen widely dispersed independent business incubators. The fourth part examines the experiences of the Inter-church Network for social concerns. The fifth and final part reviews the lessons learnt from the case studies discussed.

27. **Doz, Y., and G. Hamel. 1998.** *Alliance Advantage: The Art of Creating Value Through Partnering.* **Boston: Harvard Business School Press.**

The authors observe that partnerships between companies typically receive a great deal of attention from managers and researchers at the time of their formation. This is largely due to perceptions that the initial structuring of partnerships and establishment of common goals are determinative of partnership success. In this book, the authors shift the focus away from deal making to the internal processes within partnerships. They examine the unfolding interactions among partners that play an important but relatively unexplored role in shaping outcomes. They focus on the underlying reasons why companies enter alliances and the processes by which they continually learn from their interactions and how they re-evaluate common and individual goals. The authors challenge organizations to define their objectives for alliance formulation and consider whether their own corporate culture provides an "alliance friendly" atmosphere.

28. **Ebers, M. 1997.** *The Formation of Inter-organizational Networks.* **New York: Oxford University Press. ***

In recent years, managers and management scholars have regarded the networked firm as a promising organizational form. This book analyses when, why, and how firms engage in forms of inter-organizational networking such as strategic alliances, joint ventures, and long-term accords for collaboration. The contributors outline how firm strategies, catalysts, and trust between actors shape the emergence and the types of inter-organizational collaboration.

29. **Kenyon, D. A. 1997. "Theories of Inter-jurisdictional Competition."** *New England Economic Review* **1 (March): 13–35. ***

The author assesses the arguments for and against inter-jurisdictional competition [IJC] as a means of fostering economic development. He first defines what IJC is and then goes on to describe the practice's necessary preconditions. To identify a jurisdictional competitor, most state tax studies choose a selected number of states for comparison purposes. Massachusetts, for example, includes the figures from other New England states and other high-tech regions for comparative purposes. The author goes on to describe the costs and benefits of IJC to economic development through the lenses of the following IJC theorists: Dr Tiebot; Drs. Oates and Schwab; Dr. Wolkoff; Drs. Besley and Case; and Dr. Breton.

30. **Jennings, E. T., and J. G. Ewalt. 1998. "Inter-organizational Coordination, Administrative Consolidation, and Policy Performance."** *Public Administration Review* **58 (5): 417–28. ****

The authors examine the extent to which coordination patterns and administrative arrangements have succeeded in accomplishing the policy goals of the Job Training

Partnership Act (JTPA) in the areas of employment and training services delivery. The study is based on both Jennings' (1994) data relating to the impact coordination has on outcomes, and more objective measures of program performance, including placement rates and wages. The author tests two hypotheses: whether increased levels of coordination lead to higher levels of performance; and whether administrative consolidation of the JTPA's services results in higher levels of performance. The analysis indicates that both coordination and administrative consolidation had a positive impact in JTPA service delivery. Consolidation has a wider range of effects than coordination, but both have significant impacts.

31. **Larsson, R., L. Bengtsson, K. Henriksson and J. Sparks. 1998. "The Inter-organizational Learning Dilemma: Collective Knowledge Development in Strategic Alliances."** *Organization Science* **9 (3): 285–305. ***

The authors observe that alliances are often volatile, but key components of many corporations' competitive strategies. They provide fast and flexible avenues for accessing markets, scale economies, and competency development. The authors argue that the success or failure of a strategic alliance is often determined by the way partners manage the collective learning process. In light of the above, the study undertakes to resolve the "organizational learning dilemma" described as follows: first, being a good partner makes one vulnerable to exploitation by partners who attempt to maximize their respective share of joint learning (possibly at the expense of other partners' learning); and, second, such predatory behaviour disrupts patterns of collective knowledge development within the alliance. The authors devise a framework for understanding the dilemma by focusing on how organizations make trade-offs in the "race to learn" and how the fruits of joint learning are shared among allies. They identify five different learning strategies and grade them in relation to their capacity to promote receptivity and transparency within organizations: collaboration (highly receptive and transparent); competition (highly receptive but non-transparent; compromise (moderately receptive and transparent); accommodation (non-receptive and highly transparent); and avoidance (neither receptive nor transparent). The study compares a number of recent case studies in support of the authors` proposed framework.

32. **O' Toole, L. 1995. "Rational Choice and Policy Implementation: Implications for Inter-organizational Network Management."** *American Review of Public Administration* **25 (1): 43–57. ***

 The author observes that research on inter-organizational policy implementation continues to be characterized by diverse theoretical approaches. However, "rational-choice theories" [RCT] such as "game theory" have been neglected in the study of the policy implementation processes. This study applies "game theory" to the policy implementation process and arrives at mixed conclusions. Most noteworthy, the author suggests that RTC can contribute to a better understanding of inter-organizational management by providing unique guidance in handling a variety of

threats to cooperative action. The following RTC attributes, when applied, can be used to inform policy implementation decisions:

- *Moving the play of the game forward*: managers can be active in the initiation of certain moves;
- *Linking games*: outcomes can be influenced by managers proposing an appropriate coordination point;
- *Influencing preferences*: managers can use persuasion to increase perceived common interests and securing agreements during negotiations; and,
- *Shifting structures*: managers can take advantage of opportunities to alter the inter-unit structure itself to encourage cooperation.

33. Varadarajan, P. R., and M. H. Cunningham. 1995. "Strategic Alliances: A Synthesis of Conceptual Foundations." *Journal of the Academy of Marketing Science* **23 (4): 282–96. ***

The authors observe that strategic alliances encompass the pooling of resources and skills by allied organizations to accomplish both shared and individual goals. They identify five benefits that motivate organizations to enter into these partnerships: acquiring new market access; accelerating the pace of market entry; sharing of R&D expenses, manufacturing, and/or marketing costs; broadening the product line/filling product; and learning new skills. Over the past ten years, more firms have entered into alliances with others in the same industry. Some have moved beyond forming isolated alliances to establishing a web of intra- and inter-industry and intra- and international strategic alliances. Reflecting on this environment, the authors present a synthesis of the conceptual foundations of strategic alliances and the role marketing plays within these relationships.

INTERGOVERNMENTAL

34. **Andranovich, G. 1995. "Achieving Consensus in Public Decision Making: Applying Interest-Based Problem Solving to the Challenges of Intergovernmental Collaboration."** *Journal of Applied Behavioral Science* **31 (4): 429–45. ****

This study examines the issue of collaboration among local governments in the United States. In a context of significant devolution to state and local levels since the late 1970s, a new "*civic infrastructure*" is required. To create this new infrastructure requires an integrated regional approach, but there is a lack of new political and organizational structures to help achieve it. One necessary component is multi-jurisdictional leadership, which raises the questions of who will be the multi-jurisdictional leaders, on what will their legitimacy be based, how can strategic regional objectives be identified, and how will resources be used. The author suggests that it is useful to apply behavioural science theories of collaboration to these challenges. He discusses the application of the "*interest-based problem-solving process*" to a case study of regional integration. Through this process, interests of the various stakeholders are identified and clarified through an open discussion. It is useful to identify common ground among stakeholders on economic, cultural, political or geographic grounds and to acknowledge the interests of other stakeholders. Key issues affecting the success of collaboration include the legitimacy of the convener, whether there is a history of collaboration, and the use of an open and interactive process guided by agreed-upon procedures for identifying interests.

35. **Painter, M. 1998. "Public Sector Reform, Intergovernmental Relations and the Future of the Australian Federation."** *Australian Journal of Public Administration* **57 (3): 52–63. ***

This article details two Australian horizontal initiatives: the National Competition Policy of 1995 and the National Training Agreement of 1992. These case studies are part of a wider trend of increased collaboration among state and federal governments shaped by managerial models in an effort to reduce overlap and duplication. The author draws a distinction between two models of intergovernmental coordination: the more traditional arm's-length cooperation and the newer collaboration, which entails governments establishing binding arrangements. Under the National Competition Policy, governments established a mechanism for joint decision making so that no single government had sole jurisdiction. Under the National Training Agreement, it was the intention to make the training system more responsive to industry needs. The Australian National Training Authority was established with most of the membership coming from industry. The author concludes that these types of innovation would threaten the principles of federalism if implemented widely; however, the experience of these two case studies suggests that the tradition of adversarial Australian federal politics is alive and well and that it may be difficult to submerge federalism through managerial reform.

TRUST

36. **Currall, S. C., and T. A. Judge. 1995. "Measuring Trust Between Organizational Boundary Role Persons."** *Organizational Behavior and Human Decision Processes* **64 2 151–70. ***

The article explains an effort to measure trust among "boundary role persons" — those who act as links across organizational boundaries. The purpose is to test the theory of the importance of trust to inter-organizational collaboration. The elements of trust among boundary role persons that are measured are open and honest communication, the use of informal agreements, the degree of surveillance of counterparts, and coordination of tasks. The case study examines relationships between school district superintendents and presidents of local teachers' unions. It concludes that trusting behaviour is encouraged by factors such as the counterpart's reputation for trustworthy behaviour in the past and possession of a trusting personality.

(37.) **Lane, C., and R. Bachmann. 1998.** *Trust Within and Between Organizations: Conceptual Issues and Empirical Applications.* **New York: Oxford University Press. *****

This book offers a wide-ranging study of trust within and between organizations from the perspective of several social and management sciences. The chapters, many written by well-known experts, combine theoretical analysis of problems around trust with empirical studies in a range of different organizations and in such contexts as China, Japan, India, the U.S., and several European countries. Three different sources of trust must be considered:
- *process-based* (develops from concrete experience of social and/or economic exchange and is brought as an expectation to future transaction; this kind of trust emerges when the quality of exchanged goods or services is uncertain);
- *character-based* (is independent of a concrete exchange experience; the sources of this kind of trust are personal characteristics, including age, sex, ethnicity, community or social affiliation);
- *institution-based* (transcends the concrete exchange experience and does not depend upon the concrete exchange partner either).

Trust in network relationships is generally regarded as being diffused more widely. The author identifies the forms and façades of trust and identifies four considerations for the promotion of inter-organizational trust:
- understanding the constitution of inter-organizational trust;
- distinguishing trust and power in inter-organizational relations;
- recognition of the impact trust has in improving one's business climate; and
- due consideration given to intellectual property issues in academic research.

38. Porta, R. L., F. Lopez-de-Silanes and A. Vishny. 1997. "Trust in Large Organizations." *American Economic Review* **87 (2): 333–38. ***

The existing theory of trust is applied to several countries in examining the effect of trust as a general phenomenon within a society on the performance of large organizations. The performances are measured in terms of government effectiveness, participation in civic organizations, the size of the largest firms relative to GNP, and the general performance of a society. The results show that higher levels of trust correlate strongly with better performance. Countries with hierarchical religions have lower levels of trust and lower levels of performance. The authors suggest that these lower levels of trust combined with hierarchical religions may have impeded the formation of horizontal networks of cooperation.

39. Wyatt, D. 1996. "Trust Is Power." *Executive Excellence* **13 (12): 12–13. ****

Building trust involves some basic steps, hard work, commitment, perseverance and continuing effort to achieve a desired result. Developing mutual trust means shifting personal and organizational models from competition to collaboration — giving up familiar, long-held assumptions and ways of thinking and doing. Mutual trust also calls for the reorganization of the values, beliefs and axioms that make up these mental models. Developing trust involves exercising power and vulnerability until both are equally strong and then using them in an authentic, consistent and ethical manner. In an environment of trust, people begin to tap into their potential and creative outcomes that benefit themselves and their organizations — where individuals become truly empowered and inspired.

40. Zaheer, A. 1998. "Does Trust Matter? Exploring the Effects of Inter-organizational and Interpersonal Trust on Performance." *Organization Science* **9 (2): 141–59. ***

A challenge to exploring the role of trust in inter-organizational exchange is translating the inherently individual-level concept of trust to the organizational level. The author defines interpersonal and inter-organizational trust as distinct constructs and draws on theories of inter-organizational relations to derive a model of exchange performance. Specifically, the role of trust in inter-firm exchanges is investigated at two levels of analysis, and its effects on negotiation costs, conflict, and ultimately performance are assessed. The results indicate that interpersonal and inter-organizational trust are related but distinct constructs, and play different roles in affecting negotiation processes and exchange performance. Further, the hypotheses linking trust to performance receive some support. Overall, the results show that trust in inter-organizational exchange relations clearly matters.

LEADERSHIP

41. Bennis, W. 1999. "The End of Leadership: Exemplary Leadership Is Impossible Without Full Inclusion, Initiatives, and Cooperation of Followers," *Organizational Dynamics* 28 (1): 71–80. *

Post-bureaucratic organizations require new kinds of alliances between leaders and the led. Four competencies determine the success of New Leadership: the new leaders understand and practice the power of appreciation — they are connoisseurs of talent, more curators than creators; the new leaders keep reminding people of what's important; the new leaders generate and sustain trust; the new leaders and the led are intimate allies.

42. Northouse, P. G. 1997. *Leadership: Theory and Practice.* Thousand Oaks: Sage Publications. **

Describing and analyzing a wide variety of theoretical approaches to leadership, the author gives special attention to how each theory can be employed to improve leadership in real-world organizations. Each chapter includes a discussion of the strengths and weaknesses of a specific leadership approach; an application section that discusses the practical aspects of each approach and how it can be used in today's organizational settings; three case studies with follow-up questions for illustrating common leadership issues and dilemmas; and a questionnaire-type instrument designed to assist the reader in gaining a better understanding of his or her leadership style.

ACCOUNTABILITY

43. **Atwood, E., and M. J. Trebilcock. 1996.** *Public Accountability in an Age of Contracting Out.* **Working paper #2, Centre for the Study of State and Market, University of Toronto Faculty of Law. ***

The authors examine the legal structure of government contracting and assess its capacity to ensure governmental accountability. First, Canada's common law position with respect to public contract tendering is examined. Second, accountability structures are reviewed in the form of the federal and provincial access-to-information legislation. International, regional and domestic accountability mechanisms enshrined in GATT, the FTA, NAFTA and other internal trade agreements are discussed next. Comparisons with accountability mechanisms in the United Kingdom, United States and New Zealand are also presented.

44. **Bovens, M. 1998.** *The Quest for Responsibility: Accountability and Citizenship in Complex Organizations.* **Cambridge: Cambridge University Press. ***

The author adopts a multidisciplinary approach combining law, social science, ethics and organizational design to analyze the search for responsibility in complex organizations. He begins with the problems of *many hands*, that is the contributions of many people that makes accountability difficult to determine, and explores four solutions (corporate, hierarchical, collective and individual accountability) from normative, empirical and practical perspectives. Bovens explains that individual accountability is the most promising solution "only if individuals have the chance to behave responsibly."

45. **Radin, B. A., and B. S. Romzek. 1996. "Accountability Expectations in an Intergovernmental Arena: The National Rural Development Partnership."** *Publius* **26 (1): 59–81. ***

This article examines the inter-organizational United States National Rural Development Partnership (NRDP) that was created in the early 1990s. The NRDP brings together representatives from federal, state and local governments, and from tribal, private and non-profit organizations. The NRDP raises accountability issues that are discussed. The authors draw a distinction among hierarchical, professional, legal, and political forms of accountability. These forms may co-exist within an organization. The authors suggest that in a collaborative setting, it is better to have accountability arrangements that provide participants with some discretion. The "*low-control*" types of accountability arrangements, professional and political, are likely to be more suitable than the legal and hierarchical forms. In the case of the NRDP, existing accountability arrangements are not the best possible ones since they may create tensions.

46. **Thomas, P. G. 1998. "Accountability as Swirl: If Everyone Is Accountable, Is No One Accountable?" Pp. 33–59 in *Roundtable on Accountability*. Toronto: Insight Press. ****

>   The author observes that accountability structures in governments have grown so complex that the decision-making process has become more opaque. It has resulted in perceptions of accountability avoidance by outside observers. Despite these negative perceptions, the author opines that more accountability is actually found within governments than is popularly recognized. To government managers, "Accountability should not be approached as a problem to be solved, but rather as a 'condition' of government which will require recurring attention." The author goes on to define key terms, describes the confusion emerging from the replacement of traditional approaches to accountability and identifies four components that contribute to clearer lines of accountability within all organizations:
>   - Responsibility for all assignments should be delegated around defined goals or purposes;
>   - Those put in charge of a task should be made to answer for the discharge of those responsibilities;
>   - Performance should be surveyed to ensure compliance with directions given and results anticipated; and
>   - Rewards and sanctions should be considered for success and failure respectively.

47. **Walker, D. M. 1999. "The Accountability Profession Faces Enormous Challenges and Opportunities at the Turn of the Century." *The Government Accountants Journal* 8 (4): 8–11. ***

This article by the head of the U.S. General Accounting Office (GAO) focuses on the concept of "*performance management*". an approach that puts the emphasis on results rather than process. It can help to restore confidence in government by producing reliable data about the impact of government activities. The success of performance management relies on people, process, and technology. Having the right people is the single most important factor, but in the U.S. "*human capital reform*" has been inadequate. Making the best use of human capital includes recruiting and training, leadership and succession planning, and establishing a performance culture that includes performance measures and rewards. A transition to performance management requires a cultural transformation from hierarchy to partnerships and integrated organizations. The author also discusses the accountability role of the GAO. He states that the GAO and other accountability organizations should encourage the adoption of performance management within government.

FOR YOUR INTEREST

48. Benedick, R. E. 1999. "Tomorrow's environment is global." *Futures* **31 (9–10): 937–47. ***

The unprecedented environmental challenges expected during the next half century will require a new approach to policy making. Environmental diplomacy is receiving more resources. There will be a more prominent role for scientists in international policy making, in part due to the high level of scientific uncertainty behind many of these environmental challenges. The 1987 Montreal Protocol on protection of the ozone layer is one example of the marked increase in attention to global environmental challenges. Lessons from the protocol suggest that the way forward will include innovation in international cooperation and the participation of new stakeholders in decision making, notably non-governmental organizations, which can be helpful to governments in the context of environmental diplomacy. For example, they can provide new ideas and help to create coalitions.

49. Shalala, D. E. 1998. "Are large public organizations manageable?" *Public Administration Review* **58 (4): 284–89. ****

This article by the Secretary of the U.S. Department of Health and Human Services discusses her advice for managing a large, complex organization. Among the lessons are:
- A large organization often has multiple cultures that can be used as a powerful asset if they are understood;
- Implement ways to allow appropriate coordination to occur, such as a secretariat that encourages the exchange and discussion of ideas throughout the organization;
- Create a loyal team by allowing debate in private but not in public;
- Allies may be found in places you do not expect;
- It is important to talk to adversaries and find elements of agreement.

ARTICLES AND BOOKS OF INTEREST BUT NOT FOUND

50. **Aggeri, F. 1999. "Environmental Policies and Innovation: A Knowledge-based Perspective on Cooperative Approaches."** *Research Policy* **28 (7): 699–717.**

    The author analyzes the growing interest in the field of the environment and seeks new cooperative approaches that make use of negotiated instruments such as voluntary agreements. Using an interpretation framework that puts the emphasis on collective learning and monitoring devices, the author highlights the value of this type of approach in situations of great uncertainty where a coordinated process of innovation is required to achieve ambitious environmental targets. Implementation of this theoretical approach in the end-of-life vehicles case, which has been the subject of several voluntary agreements in Europe, offers a fuller understanding of the characteristics and driving forces of the collective innovation process in action, as well as the obstacles that have still to be overcome. In particular, the author explains why monitoring of innovation by the authorities, focusing on coordination mechanisms, is a crucial issue upon which further research should be carried out.

51. **Bennis, W., and P. Ward Biederman. 1998.** *Organizing Genius: The Secrets of Creative Collaboration.* **New York: Addison-Wesley.**

52. **Clark, M. J. 1999. "Intergovernmental Policy Lessons from Canada: Paying the Piper and Calling the Tune."** *Australian Journal on Ageing* **18 (1): 15ff.**

53. **O'Looney, J. 1994. "Inter-organizational Transformation in the Public Sector: The Case Against 'Running Things Like a Business'."** *The Journal of Applied Social Sciences* **18 (2): 217ff.**

    The author reflects on the utility of applying generic organizational transformation strategies on public and private sector organizations that are involved in partnerships with other entities. Based on examinations of both public and private organizations in general, and on a case study of efforts to build an integrated service system in the state of Georgia, the article concludes that transformations within networked public institutions will be more time consuming than their private sector counterparts. Since these transformations exhaust the patience of most participants and observers, the author has three recommendations for public managers who are committed to transforming their organizations: develop long-term, bipartisan support at the political party level; secure long-term funding for organizational change strategies; and establish a number of long-term membership slots on advisory, policy, and governance boards that oversee organizational transformation efforts.

54.   Potapchuk, W. R., J. P. Crocker and W. H. Schechter. 1999. "The Transformative Power of Governance." *National Civic Review* **88 (3): 217ff.**

The authors argue that under the banner of reinventing government, systems reform, community building, and comprehensive community initiatives, proponents of civic renewal are beginning to change the political, economic, and social landscape of America's cities and counties. Relationships such as "public-private partnerships" are redefining who has responsibility for maintaining the public's welfare. To serve the needs of citizens into the next century, policies must always beg the following question: "Governance for what ends?" Initiatives designed to heal troubled communities must include practices such as stakeholder engagement, collaboration, and inclusive participation. The author dubs these practices collectively as "organic governance." In recent years, stakeholders in the non-profit, private and philanthropic sectors have become important elements typical of the new civic infrastructure found throughout the U.S. Topics discussed in this article include how community power is thinly distributed, the problem of gaps in civic governance, change as the only constant in municipal management, strengthening families in their neighborhoods.

55. Robinson, S. 1996. "The NAFTA and Policy Coordination in North America." *Choices* **11 (3): 1ff.**

56. Terry, F. 1997. " Editorial: Strategic Alliances." *Public Money and Management* **17 (4): 3–4.**

The journal's editorial overview discusses what strategic alliances (SA) are and canvasses this issue's articles pertaining to these. SAs can be understood as forms of partnerships with private sector actors or collaborations with different types of public agencies seeking mutual benefits. The author refers to the examples of SAs gleaned from the articles: public utilities including water, electricity, road maintenance and transportation; health services; and international alliances including the European Union's Committee of the Regions and URBAN program. The author concludes that, ultimately, SAs have no great political significance or intrinsic value in management terms; they exist for largely pragmatic reasons. Their real importance depends on the benefits they bring to the end users of public services.

57. Williams, R. W. 1997. "Intergovernmental Conflict over Emergency Planning: The Politics of the Shoreham Nuclear Power Plant." *Polity* **30 (2): 285ff.**

APPENDIX 1

Excerpts from **Radin, B. A. 1996. "Managing Across Boundaries." Pp. 145–67 in *The State of Public Management*, ed. D. F. Kettl and H. B. Milward. Baltimore: Johns Hopkins University Press.**

- "I got a sense of hope that government could operate well and that career officials could be positive and productive.'

- "I learned that there is more creativity and professionalism in the federal bureaucracy than is usually perceived."

- "I learned about other agencies and how they do their work."

- "I learned that the federal government can facilitate discussions with the states."

- "After coming out of an era of federal bashing, I learned that the leadership of the federal government is important."

- "This reinforced my belief that interagency initiatives are possible."

- "I learned about the diversity of the states."

- "I now have a new list of names and phone numbers to use as contacts."

- "I found out how devastated rural America really is."

- "I learned that there is hope for rural America, that more federal agencies are interested in rural issues than I thought."

- "I learned more about my own department as a result of this effort."

- "I learned that there is not just one model for change."

- "I found that there are other people who feel the same way that I do.'

- "I recognized that people can change and grow."

- "I learned how time-consuming and expensive collaborative efforts are."

- "I learned how to run a task force."

From: Alexander, E. 1995. *How Organizations Act Together: Inter-organizational Coordination in Theory and Practice.* Amsterdam: Gordon and Breach Publishers.
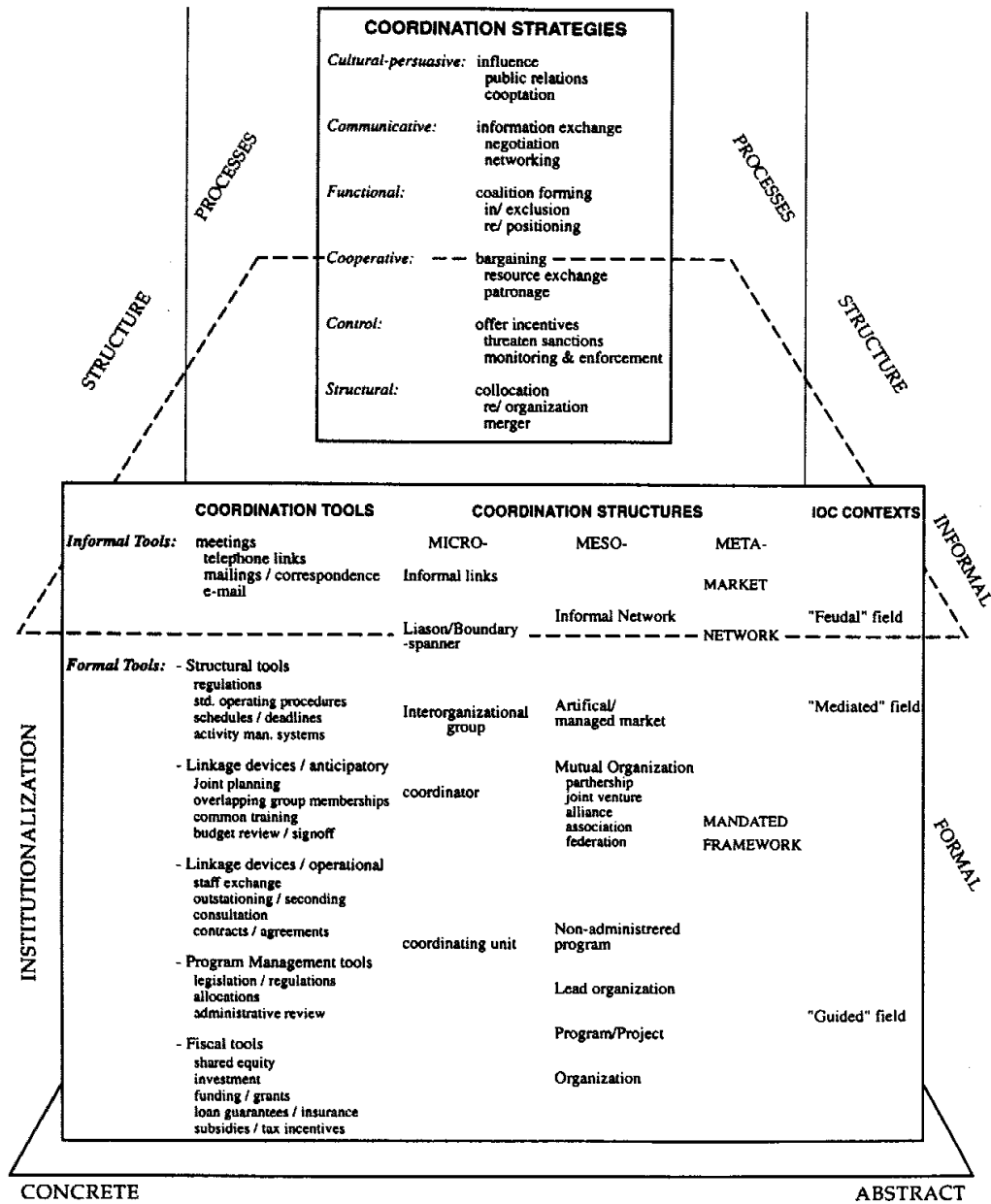
COORDINATION STRATEGIES

Cultural-persuasive:	influence
	public relations
	cooptation
Communicative:	information exchange
	negotiation
	networking
Functional:	coalition forming
	in/ exclusion
	re/ positioning
Cooperative:	bargaining
	resource exchange
	patronage
Control:	offer incentives
	threaten sanctions
	monitoring & enforcement
Structural:	collocation
	re/ organization
	merger

COORDINATION TOOLS — **COORDINATION STRUCTURES** — **IOC CONTEXTS**

Informal Tools: meetings
telephone links
mailings / correspondence
e-mail

Formal Tools: - Structural tools
regulations
std. operating procedures
schedules / deadlines
activity man. systems

- Linkage devices / anticipatory
Joint planning
overlapping group memberships
common training
budget review / signoff

- Linkage devices / operational
staff exchange
outstationing / seconding
consultation
contracts / agreements

- Program Management tools
legislation / regulations
allocations
administrative review

- Fiscal tools
shared equity
investment
funding / grants
loan guarantees / insurance
subsidies / tax incentives

MICRO- / MESO- / META-

Informal links — MARKET

Informal Network — "Feudal" field

Liason/Boundary -spanner — NETWORK

Interorganizational group — Artifical/ managed market — "Mediated" field

coordinator — Mutual Organization / parthership / joint venture / alliance / association / federation — MANDATED FRAMEWORK

coordinating unit — Non-administrered program

Lead organization — "Guided" field

Program/Project

Organization

INSTITUTIONALIZATION

CONCRETE — ABSTRACT

PROCESSES — STRUCTURE — INFORMAL — FORMAL

Figure 6. Conceptual framework for IOC.

APPENDIX 3

TABLE 2.1. Forms and façades of trust

	Spontaneous trust	Generated trust	Manipulation	Capitulation
Nature of co-operation	Co-operation is trust-based	Co-operation is trust-based	Co-operation is power-based	Co-operation is power-based
Dynamics of co-operation	Co-operation emerges naturally, through gamble	Co-operation is achieved through management of meaning	Co-operation is achieved through management of meaning	Co-operation is achieved through dependency and socialization
Synergy, innovation, and risk	Trust emerges spontaneously: synergy is high: risk is high	Trust is created through equal participation which increases synergy but also increases risk	Dominant partner uses symbolic power to reduce risk and to increase predictability; synergy is reduced	Subordinate acts as a tool of dominant partner: risk to dominant partner is low; synergy is low
Power	A 'win-win' view of power is implicit although power is largely ignored	A 'win-win' view of power prevails as asymmetrical power is decreased	A zero-sum view of power prevails as asymmetrical power is either maintained or increased	A zero-sum view of power prevails as asymmetrical power is either maintained or increased
Meaning	Shared meaning already exists between partners	Shared meaning is mutually constructed by all partners	Meaning is shared but it has been distorted by one partner	Meaning is shared but is imposed by one partner on another
Implications for research/practice	Shared meaning may not be as 'spontaneous' as it may appear	Process of creating shared meaning is difficult and may involve conflict	Relationship may look like trust when it is based on power	Power imbalance may mean that partners are not as 'independent' as they may appear

Forms and Façades of Trust

7